

**APARTMENT BUILDING INCOME AND EXPENSE
REPORT TAX YEAR 2002
GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF TAX AND REVENUE**

941 North Capitol Street, N.E.
Washington, D.C. 20002
202-442-6760



FP-308B-A DUE DATE April 1, 2001

The Income and Expense information must be reported on this form. No substitute forms may be used. Supporting documentation is acceptable. In order to assist you in completing the form, a detailed set of instructions is included as part of this report. Expenses are to be reported only once, double reporting is prohibited. If you have any questions or need assistance, please contact Mr. Anthony Daniels at our office on 202-442-6794. This report should be completed in accordance with the accounting used for Federal income tax purposes. Submission of audited statements is not required. As per the D.C. Code § 47-821, this information shall be maintained in strict confidentiality. Failure to submit the information requested by the due date indicated is a violation of D.C. Real Property Tax Law (D.C. Code § 47-821) and will result in a penalty of 10% of the real property tax for the next tax year.

OWNER OCCUPIED / TAX EXEMPT

- A. Is any portion of this building owner occupied _____ Yes _____ No _____ %
If this property is 100% owner occupied complete sections F thru Q.
- B. Is any portion of this building exempt from property taxes. _____ Yes _____ No
If a portion of the property is exempt form FP161 the Annual Use Report must be filed.

ACCOUNTING METHODOLOGY

Method used to prepare this statement (this should reflect your accounting books, check one) Accrual _____ Cash _____ Uncertain _____

Premise address _____

Square/suffix/lot _____

Name _____

Address _____

DEBT SERVICE INFORMATION (within the last 5-years)

Loan amount	Origin date	Int. Rate %	Term	Payment (P&I)	Annual or monthly pmt.

Loan balance _____ Annual mortgage constant _____

Has there been a professional appraisal on this real property in the last five years? Yes ___ No ___

CERTIFICATION

I certify under penalty of law that the information provided is true, correct and complete to the best of my knowledge and belief. Making a false statement as to material facts is punishable by criminal penalties, D.C Code §22-2514.

1. Name of management co. _____

2. Address _____

3. Responsible contact person _____ Phone _____

4. Signature (original only, no stamped or copied signatures) _____ Date _____

5. Print or type name _____ 6. Title _____

7. _____

Owner's Federal I.D. _____

This form must be signed and dated to receive credit for filing. Unsigned and substantially incomplete submissions will be subject to all applicable penalties.

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VACANCY INFORMATION

Use information from the current reporting period to complete this form unless otherwise indicated.

1.) What was the vacancy for the project on January 1 of the current year?

_____ Units or _____ % of total units

2.) What was the average monthly vacancy over the past year?

_____ Units or _____ % of total units

3.) What is the typical length of the initial lease? _____ Months

4.) Rent concessions being offered as of January 1 of the current year:

Unit type _____ Amt./Mo. _____ Total _____

Unit type _____ Amt./Mo. _____ Total _____

SUBSIDIZED HOUSING INFORMATION

1.) Is this property a participant in one of the HUD or other low-income housing programs?

Yes _____ No _____

2.) List the type of program. _____

If subsidized, please specify the number and type of units in the Apartment Rent Mix Information part of Section P and include interest subsidy in income information Section E.

INCOME INFORMATION

Income for 12 month period _____/_____/_____ to _____/_____/_____

1.) Potential Rental Income:

List current market rent at 100% occupancy _____

2.) Vacancy and Collection Loss:

A. Income loss due to vacancy _____

B. Income loss due to concessions _____

C. Income loss due to collection loss _____

D. Income loss due to employee quarters _____ # _____

E. Total vacancy and collection loss (sum of A thru D) _____

3.) Actual Gross Income:

A. Actual apartment rental income received _____

B. Excess rent attributable to corporate suites _____

C. Coin laundry net income (Contracted _____ Owned _____)

D. Actual commercial rental income received _____

Commercial Area _____ Sq. Ft.

E. Utility reimbursements _____

F. Escalation income _____

G. Insurance reimbursement _____

H. Parking and special areas # spaces _____

Parking spaces included in rent _____

I. Storage income _____

Indicate storage included in rent _____ Continued

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E

INCOME INFORMATION *Continued*

- J. Furniture rental income _____
- K. Clubhouse/Party room rental _____
- L. Special fees _____
- M. HUD interest subsidy reimbursements _____
- (Please explain reimbursements and provide attachments for covenant terms and time frame. _____)
- N. Rental of Pad for vending area or % of gross income _____

4.) TOTAL ACTUAL INCOME _____

(SUM OF LINES A THRU M)

F

ANNUAL OPERATING EXPENSES

- 1.) Management and Administrative
- A. Management fees _____
 - B. Other administrative/payroll (Specify) _____
 - C. Furniture rental _____
 - D. Corporate suite expense _____
- 2.) Utilities
- A. Water and sewer _____
 - B. Electricity (excluding HVAC) _____
 - C. Electricity (including HVAC) _____
 - D. Primary Heating Fuel _____
 - E. Other Fuel _____
- 3.) Repairs and Maintenance
- A. Maintenance payroll/supplies _____
 - B. HVAC repairs _____
 - C. Electric/plumbing repairs _____
 - D. Elevator repairs _____
 - E. Roof repairs _____
 - F. Pool repairs _____
 - G. Other common area or exterior repairs _____
 - H. Redecorating costs (carpet, paint, etc.) _____
 - I. Other repairs (explain _____) _____
- 4.) Services
- A. Janitorial/cleaning (payroll/contract) _____
 - B. Landscape/grounds maintenance _____
 - C. Trash _____
 - D. Security _____
 - E. Elevator Service (contract) _____
 - F. Other (explain _____) _____
- 5.) Miscellaneous Expenses (explain _____) _____
- 6.) **Total Operating Expenses** _____

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G**FIXED EXPENSES**

- 1.) Insurance (one year fire, casualty) _____
- 2.) Miscellaneous Taxes _____
- 3.) Other (explain _____) _____
- 4.) Total Fixed Expenses _____

H**1.) TOTAL EXPENSES**

(SUM OF SECTION F LINE 1 AND SECTION G LINE 4)

DO NOT INCLUDE REAL ESTATE TAXES

I**CAPITAL RESERVES / INTEREST INCOME**

(As occurred during reporting period.)

- 1.) Actual Capital Reserves Deposited (cash basis) _____
- 2.) Actual Interest Income _____

J**CAPITAL IMPROVEMENTS / RENOVATIONS**

Have there been any capital improvements or renovations to the property during this reporting period? Yes _____ No _____.

If yes, please provide total cost here and attach a detailed list on a separate page.

Total Capital Cost _____ Date of expenditure _____

Are you reserving additional monies for an upcoming extraordinary expenditure?

Yes ____ No ____ Amount being reserved \$ _____

Please explain _____

K**CODE COMPLIANCE****Cost to Cure**

- 1.) Code Compliance Last 12 Months \$ _____
 - 2.) Future code compliance cost _____
- Explain _____

A.) Anticipated date of expenditure _____

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REAL ESTATE TAXES
(FROM PREVIOUS YEAR'S ASSESSMENT)

- 1.) Paid by property owner _____
- 2.) Paid by tenants _____

M

ANNUAL GROUND RENT

List Annual Ground Rent if applicable. \$ _____

Inception date of lease _____

Ending date of lease _____

Earliest renewal date _____

Land area leased in square feet _____ sq. ft.

N

ENERGY CONFIGURATION

1.) Do tenants pay any:

Electricity Yes____ No____

Heating/Cooling Yes____ No____

Gas Yes____ No____

Water Yes____ No____

2.) Is this an all-electric building? Yes____ No____

O

CHANGES IN OWNERSHIP

1.) Has a partial or complete interest in the real property been sold in the last three years?

Yes____ No____

Answer yes even if the transfer or conveyance is nontaxable or includes a transfer or conveyance of an economic interest in an entity that owns real property (i.e. shares or stocks in partnerships, corporations, or trusts, etc., including multi-tiered entities that own the real property). If the interest transferred was through an entity, the owners must complete the Transfer of Economic Interest Form. To obtain the form, call the Recorder of Deeds, (202) 727-5379.

2.) Nature of the ownership (check one) fee simple ____ leasehold ____

3.) Percent of ownership _____% Transfer Date _____

4.) Amount paid for the ownership interest \$ _____

Have you rounded amounts to the nearest dollar? If not, cross out cent amounts, EXCEPT for average rent per sq. ft.

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<div>P</div> <div>APARTMENT RENT MIX INFORMATION</div>													
UNIT TYPE EX: 1BR, 2BR w/ DEN	# OF UNITS THIS TYPE	Rentable area in sq. ft.	FULL BATHS	HALF BATHS	JAN. 1ST MKT RENT (MONTHLY)	CURRENT MKT RENT	ITEMS INCLUDED IN RENT						
							AC	HEAT	ELEC	WASHER DRYER	CATV	METERED UTILITIES	
												GAS	ELEC
TOTAL		If indicating a rental range (i.e. \$1,000-\$1,200/month), explain what the range includes (i.e. floor, carpet, view, etc.). Attach a separate sheet if necessary.											

<div>P</div> <div>SUBSIDIZED UNIT BREAK-DOWN</div>													
Indicate basic and fair market rents for subsidized units. For all others show new tenant rents.													
Unit Type					Basic/Fair Mkt								
TOTAL SUBSIDIZED		GRAND TOTAL UNITS _____ Sum of market units and subsidized units.											

Q	ADDITIONAL RENTS:	
	Carports #_____ @ \$_____	Reserved Parking #_____ @ \$_____ Garages #_____ @ \$_____
	Storage Units #_____ @ \$_____	View #_____ @ \$_____ Pet Fee #_____ @ \$_____
	Other_____ #_____ @ \$_____	Other_____ #_____ @ \$_____

<div>R</div> <div>COMMERCIAL TENANT INVENTORY</div>							
Tenant name or unit number	Sq. ft. leased	Lease Dates Mo/Yr to Mo/Yr	Orig. base rent (Annual)	Rent Escalations Fixed or CPI	Expenses paid by tenants		

INSTRUCTIONS FOR COMPLETING:
APARTMENT BUILDING INCOME AND EXPENSE REPORT

**DISTRICT OF COLUMBIA GOVERNMENT
OFFICE OF TAX AND REVENUE**

941 North Capitol Street, N.E.
Washington, D.C. 20002

The following instructions are provided to aid you in filling out this form. The information provided on the report should be in accordance with the accounting used for Federal income tax purposes. Expenses are to be reported only once, double reporting is prohibited. Please round amounts to the nearest dollar except for dollars per square foot and other rental entries. If you have any questions, please call this office at (202) 442-6794.

Please indicate if any portion of the property is owner occupied, exempt from property taxes. Please identify the accounting methodology used to prepare this statement. Please indicate if the property is structured as a condominium.

A. Debt Service Information

Please provide information in regard to any loan placed on this property within the last five years. Please include any new loans or refinancing of original debt. This information is requested to study the financing trends for this property type to determine typical debt coverage ratios. By obtaining this information we may also be able to see if your particular property is unusual in its financial arrangements.

B. Certification

District of Columbia Law (D.C Code §22-2514) requires certification of this information by the owner or officially authorized representative. Please print or type the name and title of the person certifying the information, the name and phone number of the person to contact with questions on the information, and the property owner's Federal I.D. number.

C. Vacancy Information

1. Please provide the number of vacant units, or the percentage of total units available to lease on January 1 of the current year.
2. Please provide the number of vacant units, or the percentage of total units available to lease on January 1 of the previous year.
3. Please provide the typical length of an initial lease in months. If this is month-to-month please enter a 1.
4. Please provide any rent concessions being offered as of January 1 of the current year. Include unit type; amount per month and total amount of concessions.

D. Subsidized Housing Information

This information is requested to identify subsidized properties. Please identify in the space provided the subsidy program in which you participate.

E. Income Information

Please enter income information for the period covered by this statement.

1. List the current market rent at **100% occupancy**. This is the total potential rental income for property during this reporting period. The potential rental income includes all the rental income assuming 100% occupancy including employee apartments, retail and office space **prior to the deduction for vacancy and collection loss**.
2. Vacancy and collection loss:
 - A. List the rental loss **at current rental rates** due to unleased units during this reporting period.
 - B. List all incentives given to tenants in order to increase occupancy.
 - C. List the income loss due to inability to collect rent owed.

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- D. List the income loss at current rental rates for employee apartments. Please provide the number of units made available for employees (occupied or not).
- E. Total vacancy and collection loss. Sum of lines A-E.

3. Actual Gross Income:

- A. Please provide the actual income received from the rental of apartment units after vacancy. (Line 1 less line 2E of this section).
- B. Please provide income received from corporate suites less income for similar furnished or unfurnished units.
- C. Provide the total amount of income collected from coin laundry or contractual agreements with laundry machine suppliers. Indicate if this is an owner provided or contracted service.
- D. Actual income received from the rental of commercial/retail space. Please list the total square feet of commercial area leased.
- E. List any tenant repayment to the owners for pro rata share of operating expenses where utilities are sub-metered.
- F. Actual income received for escalations in the base rents in accordance with the terms of the applicable leases.
- G. Reimbursements paid to the owners for insurance claims.
- H. Any rental income received for garage and/or surface parking. Please list the total number of parking spaces. Indicate the number of parking spaces included in rent.
- I. Any rental income received for storage spaces. Indicate any storage units or area included in rent.
- J. Rental income from furnished units, (amount in excess of the base rent for unfurnished units).
- K. Rental income from community clubhouses and/or party rooms.
- L. Fees collected for pet allowance, pool use, exercise facility or other fees not accounted for elsewhere.
- M. For subsidized apartments only, indicate the amount paid by HUD to owners. Indicate the program, if it provides tax credits, subsidized financing, etc. Please provide attachments for covenant terms and time frame.
- N. Income received from rental space for vending machines, pay telephones, etc. If the terms of the lease require a percentage of the gross income generated, indicate the percentage and the dollar amount received.

4. Total Actual Income (sum of lines A-N).

F. ANNUAL OPERATING EXPENSES

These are expenses necessary to maintain the production of income from operation of the property. Do not include under any expense category items such as ground rent, mortgage interest or amortization, personal property tax, depreciation, income taxes, or capital expenditures. **These are not operating expenses.** Capital expenditures include investments in remodeling, or replacements, which materially add to the value of the property or appreciably prolong its life. Capital expenditures are requested in Section J. Please include here all other expenses to the property, including those reimbursed by the tenants.

- 1.
 - A. Amount paid to a management company or self for operating the building. Do not count management expenses here if the same administrative cost is shown elsewhere.
 - B. Include advertising, administrative payroll, office supplies, accounting, legal fees and liability insurance. List any furniture rental costs (for models, offices, tenants, etc.) and corporate suite expense (utilities, laundry, maid, etc.) on lines C and D. Please detail each line item. If necessary attach a separate sheet.
 - C. Expenses for furniture rental associated with administrative and managerial functions (office/model furniture).
 - D. Expenses for providing corporate suites.
- 2.
 - A. Expense of water and sewer services for this reporting period.
 - B.-C. Electricity expense. Please be sure to enter your electricity expense for HVAC on the appropriate line.
 - D. Specify the primary heating fuel (oil, gas, etc.) used for heating the building and its expense. Do not include an amount for electric if it is listed above.
 - E. If more than one type of fuel is used indicate the type and cost.
- 3.
 - A. Payroll expenses for maintenance staff and expenses for maintenance supplies.
 - B. Maintenance and repair expense for heating, ventilating and air-conditioning, and related maintenance and/or repairs. Do not include capital items.
 - C. Maintenance expense for electric and plumbing repairs.
 - D. Maintenance expense for elevator repairs. This is not for an elevator service contract.
 - E. Include repairs and routine maintenance expense to roof. Do not enter the cost to replace entire roof. Roof replacement is a capital expense, which should be shown in Section J.
 - F. Repairs to swimming pools.
 - G. Repairs to exterior of the property not covered elsewhere. Do not include capital items.

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- H. Interior maintenance and repair (carpet, paint, etc.). Do not include capital items or major tenant fit-up.
- I. Specify any other maintenance and /or repair expenses not covered in another category. Do not include Capital items.

- 4.
 - A. Janitorial and cleaning expenses for the property.
 - B. Please identify all landscaping or grounds keeping service expenses for the property.
 - C. Expense for trash service.
 - D. Expense for security services, guards, etc.
 - E. Expense for elevator services (contract).
 - F. Specify any other service expenses incurred in the operation of the property.
- 5. Specify any other expenses not identified elsewhere. (ex. Vault rental space). Do not include ADA upgrades here, they should go in Sections J and K.
- 6. Total operating expenses should equal the sum of items F1 thru F5.

G. FIXED EXPENSES

List all fixed expenses incurred by the property.

- 1. Identify fire/casualty insurance expenses relevant to the reporting period only. Some insurance policies are multi-year contracts. Please include only one year's cost.
- 2. Specify any miscellaneous taxes and license fees (ex. Payroll taxes, D.C. Franchise tax, etc.). Do not include Real Estate Tax, this goes in Section L.
- 3. Specify any other fixed expenses and the amount.
- 4. Total Fixed Expenses should equal the sum of Section G lines 1 thru 3.

H. TOTAL EXPENSES

Total Expenses should equal the sum of Section F line 6 and Section G line 4.

I. CAPITAL RESERVES / INTEREST INCOME

Please list all capital reserves on hand and interest income earned during the current reporting period.

- 1. Report all capital reserves held for pending expected and unexpected improvements to the property.
- 2. Report all interest income to this property from interest earned on capital improvement accounts, reserve accounts and monthly management operating accounts.
- 3. Indicate if funds are being reserved for an upcoming extraordinary expenditure. Please provide the additional amount being reserved and explain the expenditure.

J. CAPITAL IMPROVEMENTS/RENOVATIONS

- 1. Please report and detail any capital improvements or renovations to the property during the current reporting period. This will include code compliance capital expenditures.
- 2. Indicate the total cost and date of expenditure.

K. CODE COMPLIANCE

- 1. Report any code compliance renovations that were incurred in the last 12 months.
- 2. Explain and report any future anticipated code compliance expenses.
 - A. List the anticipated date of expenditure for future code compliance expenses.

L. REAL ESTATE TAXES

- 1.-4. List the amounts paid in Real Estate Taxes for this reporting period by property owner or tenants as designated. This should reflect any adjustments in assessments during the current reporting period.

5. Report the annual depreciation claimed on the property.

M. ANNUAL GROUND RENT

This section is self-explanatory. Complete if the property is subject to a land lease.

N. ENERGY CONFIGURATION

1. Please indicate if tenants pay any electric, gas, heating and cooling or water expenses.
2. Please indicate if the building is all-electric or not.

O. CHANGES IN OWNERSHIP

1. Indicate if any percentage of ownership or configuration of ownership has changed in the last three years.
2. Identify the nature of the ownership interest that changed.
3. List the percent of ownership that changed whether it is fractional or complete, and the effective date of the change.
4. Indicate the amount paid for the real property subject to a change in ownership.

P. APARTMENT RENT MIX INFORMATION

This section is needed to help us determine income for the coming year and to compare features of various apartment projects. A rent roll is not necessary. Indicate the unit type as efficiency, 1 bedroom, 2 bedroom w/ den, etc. Identify the number of bath per unit type, a half bath has two fixtures (sink and commode) and a full bath has three fixtures (sink, commode, tub and/or shower). Provide information on subsidized units separately. The totals for the two sections combined should equal the total number of units. Market rent information is from the current calendar year. Please provide the date for current market rent.

Q. ADDITIONAL RENTS

Indicate any additional charges for carports, reserved parking, garage spaces, storage units, enhanced view, pets, or other rental cost (please indicate).

R. COMMERCIAL TENANT INVENTORY

List any commercial tenants, the area leased, lease dates, base rent, escalations, and expenses paid by commercial tenants (indicate specifically).